

AMENDMENTS TO THE CLAIMS:

Claims 1-11, 13-18, 20-34, 37, 38 and 46-56 were pending at the time of the Office Action. Claims 1-11 and 46-53 are now pending.

1. **(Currently Amended)** A method of selling reinsurance, comprising the steps of:

identifying a reinsurance product based on information stored in a database associated with a system;

determining a capacity of the reinsurance product to be sold;

offering the reinsurance product for sale through an auction;

accepting bids for at least a portion of the capacity, wherein the step of accepting bids comprises

providing a status for the bids, the status comprising one of OK, Partial OK, and Excluded, the status OK representing that a bid will be accepted, the status Partial OK representing that only a portion of the capacity in a bid will be filled, and the status Excluded representing that a bid will not been accepted;

ranking the bids, wherein the ranking of the bids at least considers a calculated profitability value and a time stamp associated with each of the bids, an older time stamp resulting in a higher ranking for a given bid and a higher calculated profitability resulting in a higher ranking for a given bid; and

consummating a contract for the sale of at least a portion of the reinsurance product to holders of winning bids, ~~wherein~~ and assigning each of the winning bids a status of OK ~~denoting~~ denotes acceptance of a bid, or a status of Partial OK ~~denotes~~

~~denoting only a portion of requested capacity will be filled, and a status of Excluded denotes that a bid has not been accepted.~~

2. **(Original)** The method of claim 1, wherein the reinsurance product is at least one of earthquake reinsurance, windstorm reinsurance and marine catastrophe reinsurance.

3. **(Original)** The method of claim 1, wherein the auction comprises an on-line auction.

4. **(Original)** The method of claim 3, wherein the auction employs the Internet.

5. **(Original)** The method of claim 3, wherein the auction is presented via a browser.

6. **(Original)** The method of claim 1, further comprising accepting bids from at least one of direct insurers and brokers.

7. **(Original)** The method of claim 1, wherein bids comprise at least a bid amount and an indication of the amount of desired capacity.

8. **(Previously Amended)** The method of claim 1, wherein the calculated profitability value associated with each of the bids is calculated based a return on sales ratio.

9. **(Previously Amended)** The method of claim 8, wherein the return on sales ratio is a selling price minus a fair risk price divided by the selling price or the selling price divided by the fair risk price.

10. **(Original)** The method of claim 8, further comprising changing a status of at least one bid.

11. **(Original)** The method of claim 10, wherein the status is one of OK, Partial OK and Excluded.

12-45. **(Canceled)**.

46. **(Amended)** A system for selling a reinsurance product, comprising:

a fair risk price calculator;

an auction and auction participant database;

an auction ranking element engine; and

a web server in communication with the Internet, wherein the fair risk price calculator provides information for calculating a minimum bid, the database stores information related to at least one auction for at least one reinsurance product, and the auction ranking element engine is operable to rank bids submitted to the database via the web server, wherein the ranking of the bids at least considers a calculated profitability value, the calculated profitability value being a return on sales ratio being a selling price divided by the fair risk price, and a time stamp associated with each of the

bids, a higher calculated profitability value for a given bid and an older time stamp for the given bid resulting in a better ranking level when compared to another bid that has lower calculated profitability value and a newer time stamp, wherein the auction ranking element engine provides a status of a bid, and wherein a status of OK denotes acceptance of a bid, a status of Partial OK denotes only a portion of requested capacity will be filed, and a status of Excluded denotes that a bid has not been accepted.

47. **(Original)** The system of claim 46, wherein the reinsurance product is at least on of earthquake reinsurance, windstorm reinsurance and marine catastrophe reinsurance.

48. **(Previously Amended)** The system of claim 46, wherein the calculated profitability value associated with each of the bids is calculated based a return on sales ratio.

49. **(Original)** The system of claim 46, wherein direct insurers submit bids to the web server.

50. **(Original)** The system of claim 46, wherein a submitted bid comprises a bid amount and a desired coverage amount.

51. **(Original)** The system of claim 50, wherein the auction ranking element engine determines whether the sufficient capacity remains to satisfy the desired coverage amount.

52. **(Original)** The system of claim 46, wherein the system is operated by or on behalf of a reinsurance company.

53. **(Original)** The system of claim 46, wherein the direct insurers participate as bidders for the reinsurance product.

54-56. **(Canceled)**.